



OFFICE OF THE ASSESSOR

Important Information

Dear Property Owners:

This is an additional valuation information notice. It is being provided to you this year to make you aware of a legal review that is under way in our Orange County Superior Court. Our local court has developed a view and reading of the State Constitution and of the Revenue and Taxation Code that is different from the State Legislature and the State Board of Equalization. This new view would seek to change the way Proposition 13 and Proposition 8 laws have been interpreted and administered by all 58 counties throughout the State for over 22 years.

A review in the form of litigation is under way, and the expected outcome will clarify the law for our local and statewide use. The law may change or it may just stay the same. You should be aware that courts in both Los Angeles and San Diego Counties have ruled the opposite way from our local court on the same issue. So, the courts differ, thus requiring the Assessor to seek a uniformity review from the appellate courts.

The issue is what our local court calls the "recapture" of value. "Recapture" is defined by the court as any instance where, after reducing your taxable value as a result of an economic downturn, the Assessor Department increased taxable value more than 2% in one year, without the property experiencing new construction or a change of ownership.

The taxable value printed on your Property Value Notice is consistent with existing State of California laws and procedures practiced by all 58 counties. As a result, the laws and valuations are being administered in a uniform way throughout the State. There is an expanded discussion on the 2% issues on the Assessor Department web site at: <http://www.oc.ca.gov/assessor/>.

It may be several more months before there is a final resolution of the legal issues, and the State Supreme Court may have to make the final ruling. When a final ruling is issued by the Courts, it will apply to everyone. At that time, we will make any necessary adjustments. Uniformity and equal protection, as provided by Proposition 13 and the Constitution, are still the Assessor Department's most important considerations. Statewide uniformity protects our Proposition 13 rights, and we would not unilaterally put those rights in jeopardy.

Please call the Assessor Department at (714) 834-2727 with any questions about your Property Value Notice. If you believe the taxable value on your notice is higher than the market value of your property on January 1, 2002, you have the right to appeal the valuation. To file an appeal or claim for refund, please contact the Clerk of the Board of Supervisors at (714) 834-2331, or visit their web site at: <http://www.oc.ca.gov/cob/>.

July 8, 2002